## Office Memorand Control STATES GOVERNMENT

TO : Chief, FBH

DATE: 4 November 1947

FROM : OPSO

SUBJECT: Recommended Use of Zsoldt Aradi

ARADI, Zac-Cr

Reference is made to memorandum of 21 October from the Chief, FBM on the above subject. The following comments on the proposal to assign Aradi to Italy under journalistic cover are submitted for whatever they may be worth.

a. While the analysis of Aradi's confidence, i.e., that his most fully developed contacts are undoubtedly in Catholic Rightist circles, is undoubtedly correct, there are several operational stumbling blocks to his undertaking a cover assignment in Italy. Having once arrived in the United States and declared his intention to become an American citizen, Aradi will still be faced with a period of five years during which he will continue to be stateless and entirely without status from a diplomatic point of view. Should he return to Italy and in the event of a Communist coup or strong participation by the Communist party in the Italian government, he would be completely defenseless against arrest and repatriation to Hungary and American authorities in the area would possess no legal grounds whatsoever for intervening in his behalf. This, coupled with the fact as mentioned in paragraph 4 of reference that he must be considered blown as an American intelligence agent, would make his position in Italy well-nigh impossible.

b, As an alternative assignment it would appear to me infinitely preferable that he return to and base his activities on the American Zone of Germany. As mentioned in paragraph 6 of reference, he has been successful in developing certain contacts among potential members of the future German government and he is without question personna grata in German Catholic circles. At the same time he does enjoy the work as such and could if properly handled utilize his innate talents in fields other than Vatican intelligence. This proposal is the only one which I see where Aradi's lack of status could be overcome. Working in Germany and parts of Austria, possibly Switzerland, Catholic circles in the Low Countries, etc., he would receive official support from American authorities as long as Germany remains in occupation status. So far as can be seen now this should certainly last for five years, thereby allowing his naturalization to be accomplished. At a later date, possessed of an American passport and having been ostensibly divorced from active participation in American intelligence activities through five years in covert status, he would then become useful in almost any area.

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